

**THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN MET IN REGULAR SESSION IN THE COMMISSIONERS’ ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA ON MONDAY, MAY 19, 2003. THE MEETING CONVENED AT 8:30 A.M.**

**MEMBERS PRESENT:**

Chairman Johnnie Sampson, Jr.  
Vice Chairman Lee Kyle Allen  
Commissioner George Brown  
Commissioner Perry Morris  
Commissioner M. Renée Sisk  
Commissioner Leon C. Staton

**MEMBERS ABSENT:**

Commissioner Bill Harper

**STAFF PRESENT:**

Harold Blizzard, County Manager  
George B. Sawyer, Assistant County Manager  
Richard F. Hemphill, County Finance Officer  
Ray H. Moser, Human Resources Director  
Gwendolyn M. Bryan, Clerk to the Board  
James R. Sugg, County Attorney

Following an invocation by Commissioner Sampson and the Pledge of Allegiance, Commissioner Sisk moved to approve minutes of the May 5, 2003 regular session, seconded by Commissioner Brown and unanimously carried.

**CONSENT AGENDA**

*Budget Amendments*

Craven County Finance Officer, Rick Hemphill, submitted the following budget amendments for the Board’s approval. Commissioner Brown moved for their approval, seconded by Commissioner Morris and unanimously carried in a roll call vote.

*Sheriff – Mobile Data Terminals*

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-2021-348-79-00	(\$3,708.00)	101-2021-410-73-01	(\$4,944.00)
Crime Control		C/O	
101-0000-399-01-00	(\$1,236.00)		
Fund Balance			
TOTAL	(\$4,944.00)	TOTAL	(\$4,944.00)

**Justification:** All approved items in grant have been purchased at a less than anticipated price resulting in a grant decrease. Grant 75%, County 25%.

*Health/Animal Control*

101-2601-357-72-00	\$ 2,983.00	101-2601-410-40-43	\$ 1,000.00
Special Education Funds		Vet. Contr. Service	
		101-2601-410-40-45	\$ 1,983.00
		Spay Neuter contr serv	
TOTAL	\$ 2,893.00	TOTAL	\$ 2,983.00

**Justification:** The Animal Shelter has collected more than originally budgeted. We will use the additional funds to pay Veterinarians for spay/neutering and for animals rabies vaccinations.

**Cooperative Ext. - Smart Start**

101-4242-348-59-00	\$ 600.00	101-4242-420-32-40	\$ 600.00
Smart Start		Supplies	
TOTAL	\$ 600.00	TOTAL	\$ 600.00

**Justification:** Extra funds were received to purchase toddler sized tables and chairs for group meetings and special programs offered for participants of the Parents As Teachers Programs.

**Health/Healthy Carolinians-6604**

101-6604-369-17-00	\$ 5,000.00	101-6604-440-40-00	\$ 5,000.00
Pamlico Co.		Contracutal Ser	
TOTAL	\$ 5,000.00	TOTAL	\$ 5,000.00

**Justification:** Additional funds received by Pamlico County Health Department to help pay for Priscilla Millers time as Healthy Carolinians Coordinator.

**DSS 7291 Mand.**

101-7291-349-32-00	\$ 1,420.00	101-7291-450-23-03	\$ 1,420.00
Energy CIP		CP&L	
TOTAL	\$ 1,420.00	TOTAL	\$ 1,420.00

**Justification:** Additional funds received from the State for Carolina Power & Light Project Share. Funds are 100% State, no County match required.

**Tax Releases and Refunds**

Craven County Tax Administrator, Ronnie Antry, submitted the following routine requests for tax releases and refunds. Commissioner Brown moved for their approval, seconded by Commissioner Morris and unanimously carried in a roll call vote.

**Credits**

TAXPAYER NAME	TICKET #	AMOUNT
ARMSTRONG, JOSEPH L PROPERTY VACANT	2002-0001392	\$ 33.60
CHURCH-COMMUNITY FAITH MISSION BUILDING RAZED IN 2001	2002-000190	\$ 232.02
CONLEY, WILLIAM & DEBRA H DOUBLE LISTED WITH ACCT #21711	2002-0010279	\$ 302.81
GARRIS, ASA JOSEPH & CAROLYN C DOUBLE LISTED WITH ACCT #7192	2002-0018243	\$ 47.31
MOREY, CHERYL L INCORRECT SITUS-S/B CARTERET COUNTY	2001-0035248	\$ 87.75

MOREY, CHERYL L INCORRECT SITUS-S/B CARTERET COUNTY	2002-0035681	\$ 66.44
MOREY, CHERYL L INCORRECT SITUS-S/B CARTERET COUNTY	2000-0034853	\$ 93.55
MOREY, CHERYL L INCORRECT SITUS-S/B CARTERET COUNTY	1999-0033857	\$ 94.71
MUSE, GREGORY DEAN DID NOT OWN MOBILE AS OF 1-1-2002	2002-0036541	\$ 47.13
MUSE, GREGORY DEAN DID NOT OWN MOBILE HOME 1-1-201	2001-0090615	\$ 52.75
MUSE, GREGORY DEAN DID NOT OWN MOBILE HOMES 1-1-2001	2001-0090614	\$ 201.68
MUSE, GREGORY DEAN DID NOT OWN MOIBLE HOMES 1-1-2002	2002-0036540	\$ 181.55
PIERCE LANDING SUBDIVISION LLC CORRECTED BILLING ERROR ON DEFERRED TAXES	2003-0090046	\$ 263.43
PIERCE LANDING SUBDIVISION LLC CORRECTED BILLING ERROR ON DEFERRED TAXES	2003-0090045	\$ 77.60
14 – CREDIT MEMO (S)		\$ 1,782.33
RALEIGH FEDERAL SAVINGS LOAN A ORDERED BY BOARD OF E & R ON 5-5-03	2002-0041190	\$ 600.88
TWIN RIVERS MALL ORDERED BY BOARD OF E & R ON 5-5-03	2002-0090245	\$13,650.13
TWIN RIVERS MALL ORDERED BY BOARD OF E & R ON 5-5-03	2002-0090246	\$ 446.02
3 – REFUND (S)		\$14,697.03

*CARTS Substance Abuse Policy Resolution*

CARTS presented a resolution to the Board to request adoption of the Craven Area Rural Transit System (CARTS) Substance Abuse Policy dated 1 January, 1999 as revised May, 2003. This revision is required due to 49 CFR parts and 654 being combined into a single part 655 and to bring the wording of the existing policy into compliance with the new wording. The revision also includes an update of contact names and phone numbers. No major changes in procedure or requirements are reflected in the revision. Commissioner Brown moved to adopt the following resolution as requested by CARTS, seconded by Commissioner Morris and unanimously carried in a roll call vote.

**RESOLUTION  
CRAVEN AREA RURAL TRANSIT SYSTEM (CARTS)  
Substance Abuse Policy Resolution 5-19-03**

**WHEREAS**, a motion was made by Commissioner Brown and seconded by Commissioner Morris for the adoption of the following resolution, and upon being put to a vote was duly adopted.

**NOW, THEREFORE,** be it resolved that the Board of Commissioners of Craven County approve and adopt the CRAVEN AREA RURAL TRANSIT SYSTEM (CARTS) Substance Abuse Policy dated 1 January, 1999 and revised May, 2003 to be placed in effect for the Craven Area Rural Transit System (CARTS) in compliance with the requirements set forth by the Federal Transportation Administration (FTA) of the U.S. Department of Transportation and published in CFR 49 Parts 29, 40, and 655, as amended.

#### *Audit Contract Approval*

Craven County Finance Officer, Rick Hemphill, submitted the audit contract received from McGladrey & Pullen for the year ending June 30, 2003. The contract reflects an increase over the prior three years. The amount for fiscal 2000, 2001, and 2002 was \$61,000. For fiscal 2003 the requested amount is \$73,000. The \$12,000 increase is the result of inflationary increase (3% a year for the past three years would yield \$67,000) and the required implementation of GASB Statement #34 in fiscal 2003. Requirements of the new reporting model will result in increased audit time by the auditor, particularly in the initial year of the change. Commissioner Sisk inquired if there is a rotation schedule in place for changing audit contractors. County Manager, Harold Blizzard, responded that it had been considered but there had been a reluctance to change auditors at this time because of the new GASB rules that have come in to place. Commissioner Brown moved to approve the audit contract and to authorize the Chairman to execute the contract, seconded by Commissioner Morris and unanimously carried in a roll call vote.

#### **CARTS PRESENTATION ON VEHICLE ADVERTISING**

Phyllis Toler, Transportation Coordinator of CARTS, gave a powerpoint presentation concerning the opportunity for Craven County to receive revenue from mobile advertising on CARTS vehicles. She stated that ninety percent (90%) of vehicle costs for CARTS vehicles is paid by the State of North Carolina, with CARTS being required to generate the other ten percent (10%). The County does not provide any of these funds. She stated that Carteret, Lenoir, Onslow and Beaufort Counties are already receiving revenue from advertisement on transportation vehicles. She presented a proposal by Hight Kracker Design, which would distribute forty percent (40%) of revenue generated to CARTS in the first year of the contract, fifty percent (50%) in the second year, and sixty percent (60%) in the third year. In the proposed contract, CARTS would reserve the right to determine content and type of advertising. Commissioner Allen moved to approve adoption of the mobile transit billboard advertising project and to authorize staff to proceed with negotiations, seconded by Commissioner Morris and unanimously carried.

#### **NURSING HOME ADVISORY COMMITTEE ANNUAL REPORT**

Mr. Alvia Hearren, Chairman of the Nursing Home Advisory Committee, provided the Committee's annual report. He advised the Board that each nursing home has a copy of the resident's Bill of Rights and a listing of committee members with their phone numbers posted, as required by law. The committee visits the homes regularly and talks with family members of residents. In addition, they recruit community volunteers to assist with needs in the homes. He encouraged Commissioners individually to join the teams of committee members on some of their visits to the nursing homes.

#### **ADULT CARE HOME ADVISORY COMMITTEE ANNUAL REPORT**

Rev. John Thompson, Chairman of the Adult Care Home Advisory Committee, provided the committee's annual report. He advised the Board that there are currently eleven members of the committee who meet quarterly for discussion. Friendly visits are made to the homes. Residents of the homes are given a copy of the resident's Bill of Rights and the phone numbers of committee members when they are enrolled in the homes. He reported that smoking was a problem that has been addressed in the past year, and he

made an appeal for prizes for Bingo games in the homes and volunteers to fill needs such as reading and writing letters for residents.

## **APPOINTMENTS**

### *Regional Aging Advisory Committee*

The Board received a request from the Regional Aging Advisory Committee that Mrs. Ethel Staten be appointed to fill the term of Rev. Billy Smith, who has resigned. Commissioner Staten moved to approve the recommendation, seconded by Commissioner Brown and unanimously carried.

### *Clean Sweep Committee*

At the request of Commissioner Staten, an appointment to the Clean Sweep Committee to replace Neil Scarborough, who has resigned, was deferred.

### *Upcoming Appointments*

The Board was advised of upcoming appointments on the Eastern Region, the Craven County ABC Board, the Civilian Military Community Council, the Eastern Carolina Workforce Development Board and the Recreation and Parks Advisory Board.

## **COUNTY ATTORNEY'S REPORT**

County Attorney, Jim Sugg, advised the Board that he would need to address a matter in closed session. It was the consensus of the Board to defer the closed session until the end of the agenda.

## **COUNTY MANAGER'S REPORT**

### *CRSWMA Leachate Agreement*

Assistant County Manager, George Sawyer, explained the Leachate Agreement that the Board was requested to approve, between Craven County and CRSWMA. Commissioner Staten moved to approve the agreement, seconded by Commissioner Brown and unanimously carried.

### *Presentation of Recommended Budget*

County Manager, Harold Blizzard, presented the recommended budget for FY 2003-04 and the following summary:

## **BUDGET MESSAGE FISCAL YEAR 2003-2004**

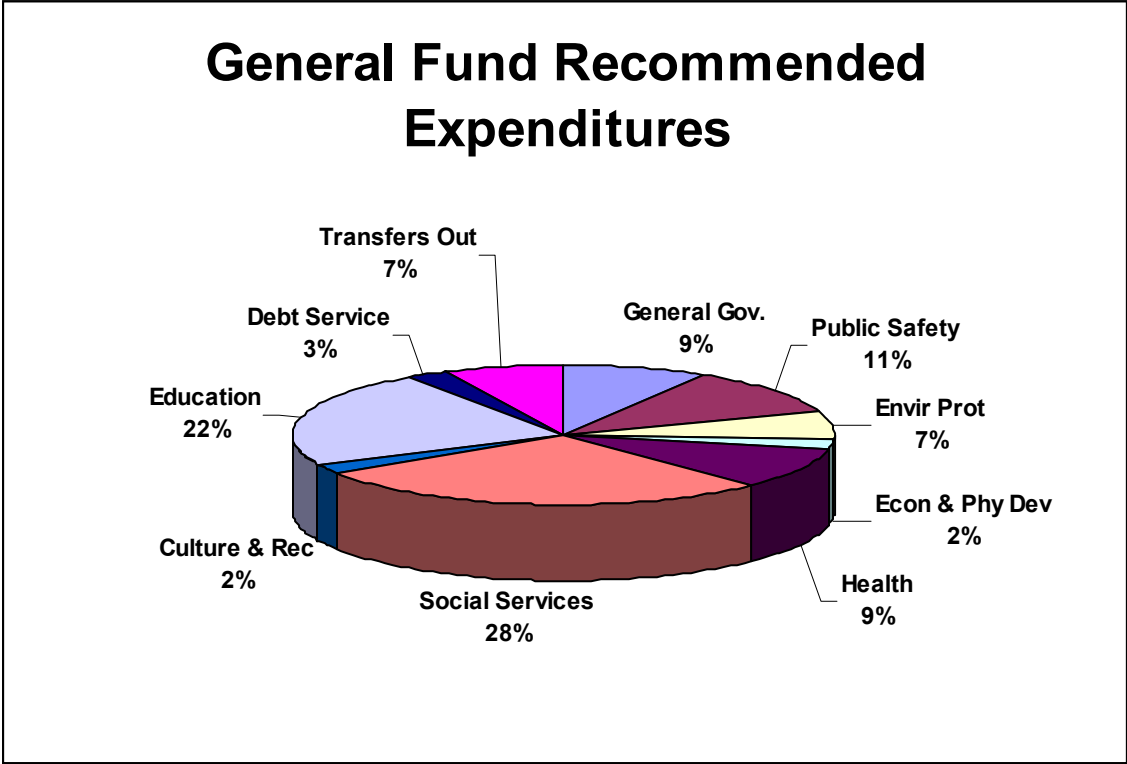
Mr. Chairman and Members of the Board of Commissioners:

I respectfully submit for your consideration the recommended budget for Craven County for fiscal year 2004. As required by law, the budget is balanced and I believe it will accomplish the goals of the County for the upcoming year in an efficient and effective manner. The following is a summary of important features that have influenced the development of the proposed budget.

Tough decisions in the past several years have cut or postponed funding for items and projects that will have ramifications on long range plans for the County if not addressed soon. In general, reduced capital spending for vehicles, equipment and infrastructure at

some point must be caught up and often times will cost more to do so. Department heads and staff, who are to be commended for operating with less resources these past two years, cannot be expected to maintain the desired level of service indefinitely without additional means. Likewise, the schools, the community college, and various others look to improve or expand services, requiring additional money.

General fund expenditures are \$75.2 million in the recommended budget. This represents an increase of \$3.4 million over the current year budget and is accounted for primarily in two areas. The first area, capital appropriations, is up \$1,900,000 and the second, education, is up \$1,046,000 (excluding the one time appropriation of \$146,000 for the West Craven Middle School sewer project). The chart below shows the breakdown by category of general fund expenditures. As in past years, education and social services account for approximately half of the total expenditures of the County’s general fund.



As a result of the recent State fiscal problems, Craven County has been forced to delay infrastructure improvements. Capital outlay and appropriations to a capital reserve represent the largest increase in the overall County budget for fiscal 2004. We are recommending that \$1,550,000 be set aside in a capital reserve next year to begin funding for various needs over the next several years, such as: \$1.9 million to the Community College for the technology building project on the New Bern campus; assisting the Board of Education with the \$3.5 million required to complete the school roof replacement project; \$600,000 for tax department digital orthophotography; \$200,000 to upgrade voice and data communications wiring of the human services building; \$300,000 for the replacement of carpet in the human services building; and a major investment by the County in the near future for a new jail building.

In addition to the capital reserve, capital outlay for purchases next year is up \$350,000 over the current budget. Most of this increase is in the Sheriff’s department for vehicles and in the County’s information technology systems.

The second major area of increasing expenditures in the recommended budget is education. The public school budget is recommended to increase by \$639,000 current expense, \$50,000 capital outlay and, \$59,000 debt service for a total of \$748,000. This amount represents a 4.5% increase over the current year appropriation.

The Craven Community College budget is recommended to increase by \$298,000. This increase is primarily due to the addition of the Havelock campus and is the result of occupancy costs to maintain that additional 51,000 square feet of space.

While the cost of maintaining the County’s infrastructure has increased we cannot ignore that loyal and dedicated employees are the organization’s most important asset. During

the recent budgetary constraints, our employees have displayed their dedication to the mission of the County and continue to address the challenges encountered by local governments.

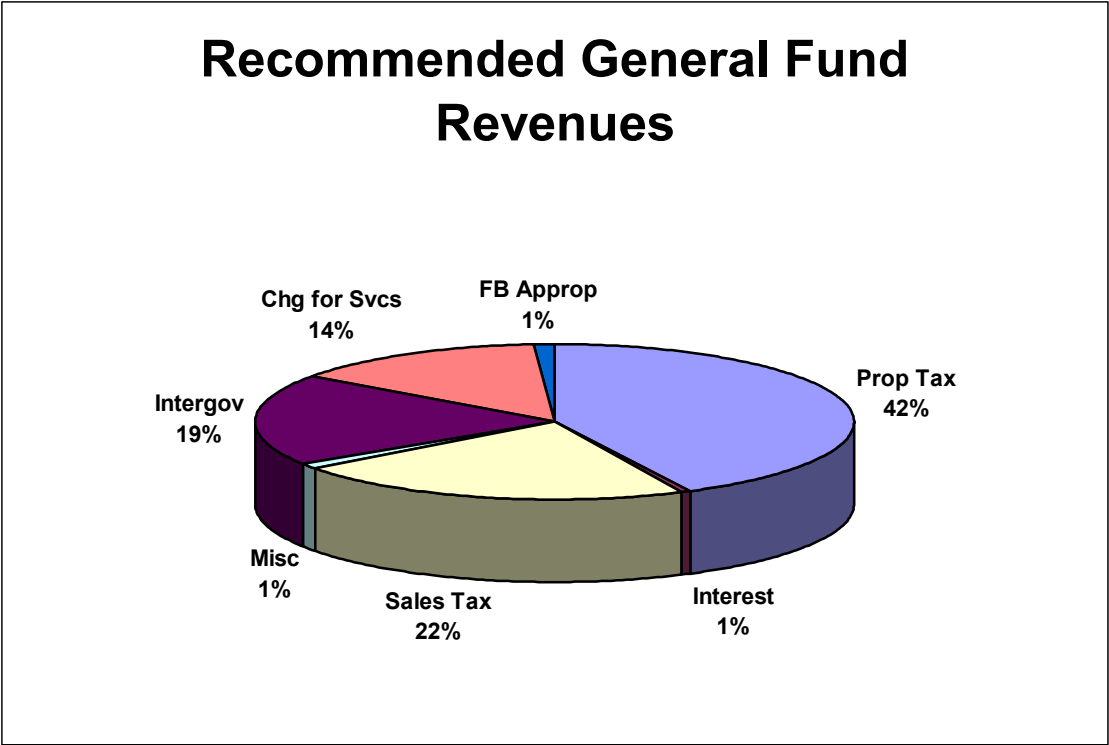
A three percent salary increase for all eligible County employees is being recommended. The Consumer Price Index through March 2003 for the South region shows an increase of 3.1% primarily due to inflation in transportation and medical care segments of the economy.

Due to the higher cost of medical care and increased cost of reinsurance premiums, we are recommending a 5% increase in our employee health insurance rate. Our cost containment efforts in past years have enabled us to recommend this modest increase as compared to much higher rate increases experienced by the State health plan and other employers. The employee dental rate is recommended to increase by 19%.

An additional 1% County contribution to the 401(k) plan, not requiring an employee match is being recommended for all eligible employees that cannot participate in the law enforcement 401(k) plan. This additional one percent, not requiring a match, will bring our employees closer to the 5% the County currently funds for law enforcement employees. This 5% funding for law enforcement 401(k) plan does not require any contribution from the employees.

Unlike the past two budgets, the current fiscal situation is more optimistic due to various positive signs at the national, state, and local levels. While the State’s budget problems are far from being over, current estimates being used in the State budgetary process are much improved from last year and will likely not require taking money directly from counties next year. That is not to say that counties should not be on guard for a patchwork of subtle funding shifts from the State to counties, particularly State mandated programs. We can expect to see State agencies continue to push down costs to the County as they are instructed to cut their budgets. For example, last week the Department of Juvenile Justice announced an increase in the fee charged to counties for housing juveniles in State facilities and the Department of Corrections announced they will no longer reimburse counties for housing inmates serving civil contempt sentences. Both of these changes will have an impact on the County’s budget.

The chart below shows the breakdown of the recommended general fund revenues for fiscal 2004. Craven County’s tax base continues to grow and sales tax revenues have increased. The property valuation for the County is expected to increase by \$130 million or 2.4% from the January 1, 2002 amount, to a total of \$5.5 billion.



The County's sales tax revenue is projected to increase by \$3.1 million. The recently enacted half percent sales tax is expected to generate \$2.7 million of this increase. As a result of the increase in the County's tax base and the additional sales tax revenue, the ad valorem tax rate is recommended to decrease by 2 cent to 56 cent per \$100 of valuation for the ensuing fiscal year.

This proposed budget for fiscal year 2004 represents a continuing effort to provide an effective and efficient government. It is our goal to promote a healthy, safe, educated and prosperous community with abundant quality of life through government that our citizens can trust with a responsive work force committed to excellence, teamwork and integrity. I would like to express my appreciation to the Board of Commissioners and staff for their support in this budget process. Finally, the recommended budget shall be immediately available for public inspection. I recommend the Board schedule a public hearing on June 2, 2003 and in the interim schedule budget study sessions, as it deems necessary.

Respectfully submitted,

Harold Blizzard  
Craven County Manager

He asked that the Board schedule a public hearing for 7:30 p.m. on June 2<sup>nd</sup> concerning the budget. Commissioner Morris moved to set the public hearing as requested, seconded by Commissioner Allen and unanimously carried.

Finance Officer, Rick Hemphill, was requested to review the budget, briefly, with the Board following the closed session.

#### **COMMISSIONERS' REPORTS**

*Commissioner Brown* moved to suspend the rules and reconsider the posting of "In God We Trust". On December 16, 2002, the Board voted to defer consideration for six months. Commissioner Allen seconded the motion to suspend the rules, which carried unanimously. Commissioner Brown then offered a motion to post "In God We Trust" in a suitable spot in the Commissioners' meeting room and to direct staff to have this done. Commissioner Allen seconded the motion, which carried unanimously.

*Commissioner Sisk* commented on the new library facility that was dedicated in Cove City and commended the staff and volunteers for its development.

*Commissioner Staton* advised the Board that the Chairman would be recognized on May 24<sup>th</sup> in a street naming ceremony, which will change North Street to Sampson Street.

*Commissioner Morris* offered congratulations to the Assistant Manager on the graduation of his son from North Carolina State University.

*Commissioner Allen* advised the Board that the Havelock Community Band will be performing at the National Cemetery at 11:00 a.m. on Memorial Day and at Union Point on June 14<sup>th</sup>.

*Commissioner Sampson* requested a resolution in support of "Youthbuild-A Step to Success". He explained that the program will work cooperatively with the Health Department, the Department of Social Services and the Community College, and is seeking a grant to operate training programs, starting with the trades for electricians and plumbers. Commissioner Allen moved to adopt the resolution, which follows, seconded by Commissioner Staton. Commissioner Sisk inquired if there would be any County money required. Mr. Sampson stated that there would not be County money involved. The motion carried unanimously.



**RESOLUTION  
IN SUPPORT OF  
“YOUTHBUILD-A STEP TO SUCCESS”**

**WHEREAS**, Youthbuild-A Step to Success” is submitting a proposal for funding to the U.S. Department of Housing and Urban Development; and

**WHEREAS**, “Youthbuild-A Step to Success” is seeking to provide educational services and on-the-job training for young adults ages 16-24; and

**WHEREAS**, “Youthbuild-A Step to Success” will receive referrals from the Craven County Health and Social Services Departments, and Craven Community College for county residents who are in need of adult literacy education and job assistance.

**NOW, THEREFORE, BE IT RESOLVED** that the Craven County Board of Commissioners lends its support to the “Youthbuild-A Step to Success” program concept, and to its funding proposal.

Adopted this 19<sup>th</sup> Day of May, 2003.

At 9:52 a.m. Commissioner Sisk moved to go into closed session, as requested by the County Attorney, concerning pending litigation pursuant to NCGS 143-318.11(a)(3) in re: John Jenkins vs. Baumgardner & Blizzard. Commissioner Brown seconded the motion, which carried unanimously.

At 10:11 a.m. the Board returned to regular session. The County Attorney reported that the Board had discussed the pending lawsuit, but no action had been taken. The County Attorney will proceed with the handling of the lawsuit.

Finance Officer, Rick Hemphill, proceeded with reviewing the budget format with the Board. By consensus of the Board, a budget work session was set for 9:00 a.m. on Wednesday, May 21<sup>st</sup>.

At 10:45 a.m. Commissioner Brown moved to recess to reconvene at 9:00 a.m. on May 21<sup>st</sup>.

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Chairman Johnnie Sampson, Jr.  
Craven County Board of Commissioners

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Gwendolyn M. Bryan, Clerk